

104TH CONGRESS
1ST SESSION

H. R. 1698

To amend title 31, United States Code, to require electronic funds transfer for all Federal payments by 2001 to promote efficiency and economy in the disbursement of Federal funds and to eliminate crime incident to the issuance of Treasury checks.

IN THE HOUSE OF REPRESENTATIVES

MAY 24, 1995

Mr. LIGHTFOOT (for himself, Mr. HOYER, Mr. CLINGER, Mr. VISCLOSKY, and Mr. HORN) introduced the following bill; which was referred to the Committee on Government Reform and Oversight

A BILL

To amend title 31, United States Code, to require electronic funds transfer for all Federal payments by 2001 to promote efficiency and economy in the disbursement of Federal funds and to eliminate crime incident to the issuance of Treasury checks.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Mandatory Electronic
5 Funds Transfer Expansion Act of 1995”.

1 **SEC. 2. AMENDMENTS TO TITLE 31, UNITED STATES CODE.**

2 Section 3332 of title 31, United States Code, popu-
3 larly known as the Federal Financial Management Act of
4 1994, is amended—

5 (1) by redesignating subsection (e) as sub-
6 section (h), and inserting after subsection (d) the
7 following new subsections:

8 “(e)(1) Notwithstanding subsections (a) through (d)
9 of this section, all Federal payments to a recipient who
10 begins to receive that type of payments on or after Janu-
11 ary 1, 1996, shall be made by electronic funds transfer.

12 “(2) The head of a Federal agency shall, with respect
13 to Federal payments made or authorized by the agency,
14 waive the application of paragraph (1) to a recipient of
15 those payments upon receipt of written certification from
16 the recipient that the recipient does not have an account
17 with a financial institution or an authorized payment
18 agent.

19 “(f) Notwithstanding any other provision of law (in-
20 cluding subsections (a) through (e)), all Federal payments
21 made after January 1, 2001, shall be made by electronic
22 funds transfer.

23 “(g) Each recipient of Federal payments required to
24 be made by electronic funds transfer shall—

1 “(1) designate 1 or more financial institutions
2 or other authorized agents to which such payments
3 shall be made; and

4 “(2) provide to the Federal agency that makes
5 or authorizes the payments information necessary
6 for the recipient to receive electronic funds transfer
7 payments through each institution or agent des-
8 ignated under paragraph (1).”; and

9 (2) by adding after subsection (h) (as so redes-
10 igned) the following new subsections:

11 “(i) The Secretary of the Treasury may prescribe reg-
12 ulations that the Secretary considers necessary to carry
13 out this section.

14 “(j) For purposes of this section—

15 “(1) The term ‘electronic funds transfer’ means
16 any transfer of funds, other than a transaction origi-
17 nated by cash, check, or similar paper instrument,
18 that is initiated through an electronic terminal, tele-
19 phone, computer, or magnetic tape, for the purpose
20 of ordering, instructing, or authorizing a financial
21 institution to debit or credit an account. The term
22 includes Automated Clearing House transfers, Fed
23 Wire transfers, transfers made at automatic teller
24 machines, and point-of-sale terminals.

25 “(2) The term ‘Federal agency’ means—

1 “(A) an agency (as defined in section 101
2 of this title); and

3 “(B) a Government corporation (as defined
4 in section 103 of title 5).

5 “(3) The term ‘Federal payments’ includes—

6 “(A) Federal wage, salary, and retirement
7 payments;

8 “(B) vendor and expense reimbursement
9 payments; and

10 “(C) benefit payments.”.

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